

Walnut Township Local School District Board of Education
Special Meeting
Monday, July 25, 2016
Elementary Media Center
7:00 P.M.

President Popo called the meeting to order with all members present.

Introductions by Mr. Cotner:

Christy Moore, Marvin Founds (Fifth Third Public Finance), Paul Rutter and Becky Princehorn (Bricker & Eckler), Charlie Prince (Buckeye Lake Beacon).

After the meeting was called to order, the Pledge of Allegiance was conducted.

16-151 Approval of Agenda

Motion by Mrs. Armstrong and seconded by Mr. Cumbow to accept the agenda as presented by the Treasurer and Superintendent.

Roll Call: Mrs. Armstrong-yes, Mr. Cumbow-yes, Mrs. Keller-yes, Ms. King-yes, Mr. Popo-yes
Motion Carried

Information Session

- Marvin Founds - Fifth Third Securities
- Becky Princehorn – Bricker & Eckler

Discussion: Mr. Popo-If we vote today, this does not extend the life of the loan; the interest rate is lower for an average savings of \$8,300/year; it will be 30-45 days for documents to go through legal before the rate is set.

16-152 Motion by Mr. Popo and seconded by Mr. Cumbow to adopt the following policy at the July 25, 2016 meeting of the Walnut Township Local Board of Education in accordance with current policy BF.

BOARD OF EDUCATION
WALNUT TOWNSHIP LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO

The Board of Education (the "Board") of the Walnut Township Local School District, Fairfield County, Ohio (the "School District"), met in regular session on July 25, 2016, at 7:00 p.m., at the Millersport Elementary Media Center at the Millersport Elementary School, 11850 Lancaster Street, Millersport, Ohio 43046, with the following members present:

Mr. Popo introduced the following resolution and moved its passage:

A RESOLUTION

AUTHORIZING THE LEASE OF SCHOOL DISTRICT LAND AND FACILITIES TO A THIRD PARTY ENTITY, AND A SUBLEASE OF SAID LANDS BACK FROM SAID THIRD PARTY ENTITY IN CONNECTION WITH THE ADVANCE REFUNDING OF CERTAIN CERTIFICATES OF PARTICIPATION PREVIOUSLY ISSUED FOR THE PURPOSE OF CONSTRUCTING, IMPROVING, EQUIPPING, AND FURNISHING SCHOOL FACILITIES; AUTHORIZING THE

EXECUTION OF AN AMENDED AND RESTATED GROUND LEASE AGREEMENT AND AN AMENDED AND RESTATED LEASE AGREEMENT IN CONNECTION THEREWITH; APPROVING THE EXECUTION AND DELIVERY OF NOT TO EXCEED \$2,500,000 CERTIFICATES OF PARTICIPATION (EVIDENCING PROPORTIONATE INTERESTS IN BASE RENT TO BE PAID BY THE BOARD OF EDUCATION UNDER SAID SUBLEASE); APPROPRIATING FUNDS TO MAKE RENT PAYMENTS DUE UNDER THE LEASE TERM ENDING JUNE 30, 2017; AND AUTHORIZING AND APPROVING RELATING MATTERS IN CONNECTION THEREWITH

(O.R.C. Section 3313.375)

WHEREAS, Ohio Revised Code Section 3313.375 provides that a school district may undertake a lease-purchase financing program in order to provide financing for the construction, improvement, equipping, and furnishing of school facilities if it is determined to be necessary and appropriate; and

WHEREAS, pursuant to such statutory authority, the School District previously entered into a Ground Lease Agreement (the "Original Ground Lease") and a Lease Agreement (the "Original Lease"), both dated as of December 15, 2007, with The Millersport Athletic Boosters ("MAB"), under which the Board leased to MAB certain parcels of land located within the boundaries of the School District (collectively, the "Project Site") under the Original Ground Lease, and MAB subleased to the Board the Project Site and the Project (as defined herein below); and

WHEREAS, in connection with such lease-purchase financing program, the Board facilitated the execution and delivery of its \$3,195,000 Certificates of Participation (Walnut Township Local School District, Fairfield County, Ohio School Facilities Project), Series 2007, dated December 28, 2007 (the "Series 2007 Certificates"), to pay the costs of constructing, improving, equipping, and furnishing school facilities (the "Project"), which Series 2007 Certificates are secured by a Trust Indenture, dated as of December 15, 2007 (the "Original Indenture"), between MAB and The Bank of New York Mellon Trust Company, N.A., as successor to The Bank of New York Trust Company, N.A., as trustee (the "Original Trustee"); and

WHEREAS, in view of currently prevailing lower interest rates, the Board has determined that it is advisable and in the best interest of the School District to facilitate the execution and delivery of Additional Certificates (as defined in the Original Indenture), as permitted under the Original Indenture and the Original Lease, for the purpose of advance refunding all or a portion of the Series 2007 Certificates (the "Refunded Certificates"), and to enter into an Amended and Restated Ground Lease Agreement and an Amended and Restated Lease Agreement with Buckeye Leasing Services or such other entity (collectively, the "Lessor"), as successor to MAB, as shall be determined by the Treasurer of the Board (the "Treasurer");

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF EDUCATION OF THE WALNUT TOWNSHIP LOCAL SCHOOL DISTRICT, FAIRFIELD COUNTY, OHIO, THAT:

Section 1. The Board hereby determines that it is necessary and in the best interest of the inhabitants of the School District to advance refund the Refunded Certificates for the purpose of achieving cost savings for the School District, and the Board, on behalf of the School District, hereby agrees to facilitate the refunding of the Refunded Certificates.

Section 2. In connection with such refunding, the Board shall lease the Project Site and the Project to the Lessor under an Amended and Restated Ground Lease Agreement (the "Amended and Restated Ground Lease"), between the Board and the Lessor, which Amended and Restated

Ground Lease shall amend and restate the terms of the Original Ground Lease, and include any additional terms necessary in connection with the execution and delivery of the Certificates (as defined herein below). The Treasurer and the President of the Board (the "President") are authorized and directed to execute on behalf of the Board the Amended and Restated Ground Lease with the Lessor, which agreement shall be in such form, not inconsistent with the terms of this Resolution, as the Treasurer shall determine.

Section 3. The Board shall sublease the Project Site and the Project back from the Lessor pursuant to an Amended and Restated Lease Agreement (the "Amended and Restated Lease"), between the Lessor and the Board, which Amended and Restated Lease shall amend and restate the terms of the Original Lease, and include any additional terms necessary in connection with the execution and delivery of the Certificates. The Amended and Restated Lease shall provide, among other things, for the payment of Base Rent (as defined in the Amended and Restated Lease) from the Board to the Lessor. Base Rent shall be payable in periodic installments over the term of the Amended and Restated Lease, in such amounts and at such times as shall be determined by the Treasurer and reported to this Board in a Certificate of Fiscal Officer Relating to Terms of the Certificates (the "Certificate of Fiscal Officer") to be executed by the Treasurer. The Treasurer shall determine the term of the Amended and Restated Lease, subject to such limitations, and report the same to this Board in the Certificate of Fiscal Officer. The Amended and Restated Lease shall provide for termination in the event the Board fails to appropriate funds adequate to pay rent due with respect to any renewal term. The Treasurer and the President are authorized and directed to execute on behalf of the Board the Amended and Restated Lease with the Lessor, which agreement shall be in such form, not inconsistent with the terms of this Resolution, as the Treasurer shall determine.

Section 4. The Board hereby consents to and approves the assignment of the Amended and Restated Ground Lease and the Amended and Restated Lease from the Lessor to the Original Trustee or such other bank or appropriate financial institution as trustee (collectively, the "Trustee") as shall be determined by the Treasurer. The Board also hereby consents to the execution of an Amended and Restated Trust Indenture (the "Amended and Restated Indenture") between the Lessor and the Trustee, which Amended and Restated Indenture shall amend and restate the Original Indenture. The Amended and Restated Indenture shall authorize the execution and delivery of "Certificates of Participation (Walnut Township Local School District, Fairfield County, Ohio School Facilities Project), Series 2016" (the "Certificates"), or as otherwise designated by the Treasurer, evidencing proportionate interests in the Base Rent to be paid by the School District under the Amended and Restated Lease, in an amount not to exceed \$2,500,000. The Certificates shall be issued as Additional Certificates under Section 3.12 of the Original Indenture and shall be secured under the Amended and Restated Indenture.

The final terms of sale of the Certificates and the resulting lease terms, including, but not limited to, the interest rate, financed amount, maximum term, amortization schedule, redemption provisions, and the name of the Lessor, shall be as determined by the Treasurer and reported to this Board in the Certificate of Fiscal Officer. The Certificates may be sold in one or more series. The Treasurer is authorized to arrange for the establishment of a debt service reserve fund in connection with issuance of the Certificates if, in the Treasurer's judgment, a debt service reserve fund would result in a cost savings to the School District.

Section 1. The Board hereby authorizes and directs that the Certificates shall be sold to such purchaser or purchasers as the Treasurer shall designate in the Certificate of Fiscal Officer (collectively, the "Original Purchaser"), at the purchase price set forth in the Certificate of Fiscal Officer.

Section 2. The Treasurer is authorized to make appropriate arrangements, if such officer deems it in the best interest of the School District, for the issuance of a municipal bond insurance policy with respect to all or any portion of the Certificates, including executing and delivering a commitment therefor and certificates and other documents in connection therewith. All additional

provisions required to be authorized by this Board for the issuance of a municipal bond insurance policy shall be contained in the Certificate of Fiscal Officer.

Section 3. The obtaining or updating of a rating or ratings on the Certificates and the School District is hereby authorized if the Treasurer determines that it is necessary or advisable in connection with the execution and delivery of the Certificates. If the Treasurer so determines, then the Treasurer, the Superintendent of the School District, and this Board are hereby authorized and directed to take all steps necessary to obtain such rating or ratings.

Section 4. The distribution of an Offering Circular of the School District, in preliminary and final form, relating to the original issuance of the Certificates is hereby authorized if the Treasurer determines that it is necessary or advisable to prepare and distribute an Offering Circular in connection with the original issuance of the Certificates. If the Treasurer so determines, then the Treasurer and the President are hereby authorized and directed to negotiate, prepare and execute, on behalf of the School District and in their official capacity, the Offering Circular and any supplements thereto as so executed in connection with the original issuance of the Certificates, and they are authorized and directed to advise the Original Purchaser in writing regarding limitations on the use of the Offering Circular and any supplements thereto for purposes of marketing or reoffering the Certificates as they deem necessary or appropriate to protect the interests of the School District. The Treasurer and the President are each authorized to execute and deliver, on behalf of the School District and in their official capacities, such certificates in connection with the accuracy of an Offering Circular, in either preliminary or final form, and any supplements thereto as may, in their judgment, be necessary or appropriate.

Section 5. The Board agrees to execute and perform the Amended and Restated Ground Lease and the Amended and Restated Lease in accordance with the terms thereof. The Board agrees to comply with the terms and conditions of the Amended and Restated Indenture insofar as they relate to the Board, and further agrees to comply with the terms and conditions of such additional documents and agreements relating thereto as shall be deemed, by the Treasurer or the President, in their discretion, to be necessary or appropriate in connection with the financing herein described, and such additional documents and agreements shall not be inconsistent with the terms of this Resolution.

Section 6. The Treasurer and the President are hereby authorized and directed to execute and deliver, on behalf of the School District, the Amended and Restated Ground Lease, the Amended and Restated Lease, and such additional instruments, documents, agreements, certificates, and other papers as may be in their discretion necessary or appropriate in order to carry out the intent of this Resolution. Such documents shall be in the form not substantially inconsistent with the terms of this Resolution, as the Treasurer and the President in their discretion shall deem necessary or appropriate.

The Treasurer and the President are hereby authorized and directed to take such action (including, but not limited to, hiring bond counsel and such other professionals or consultants as may be needed to facilitate the issuance of the Certificates) and to execute and deliver, on behalf of the Board, such additional instruments, agreements, certificates, and other documents as may be in their discretion necessary or appropriate in order to carry out the intent of this Resolution. Such documents shall be in the form not substantially inconsistent with the terms of this Resolution, as they in their discretion shall deem necessary or appropriate.

The officer having charge of the minutes of the Board and any other officers of the Board, or any of them individually, are hereby authorized and directed to prepare, execute and deliver a true transcript of proceedings pertaining to the Certificates and to furnish a copy of such transcript to the Original Purchaser. Such transcript shall include certified copies of all proceedings and records of the Board relating to the power and authority of the Board to issue the Certificates and certificates as to matters within their knowledge or as shown by the books and records under their custody and control, and such certified copies and certificates shall be deemed representations of the Board and the School District as to the facts stated therein.

Section 7. Nothing in the Amended and Restated Ground Lease, the Amended and Restated Lease, the Amended and Restated Indenture, the Certificates, or any agreements or documents relating thereto shall constitute or be construed or deemed to constitute a debt or bonded indebtedness or a general obligation of the School District or any agency of the School District. Neither the taxing power nor the full faith and credit of the School District are pledged or shall be pledged for the payment or security of the Amended and Restated Ground Lease, the Amended and Restated Lease, the Amended and Restated Indenture, the Certificates, or any other related agreement or document.

Section 13. The Board hereby covenants that it will comply with the requirements of all existing and future laws which must be satisfied in order that interest on the Certificates is and will continue to be excluded from gross income for federal income tax purposes, including without limitation restrictions on the use of the property financed with the proceeds of the Certificates so that the Certificates will not constitute "private activity bonds" within the meaning of Section 141 of the Internal Revenue Code of 1986, as amended (the "Code"). The Board further covenants that it will restrict the use of the proceeds of the Certificates in such manner and to such extent, if any, as may be necessary, after taking into account reasonable expectations at the time the Certificates are issued, so that they will not constitute arbitrage bonds under Section 148 of the Code and the regulations prescribed thereunder (the "Regulations").

The Treasurer, or any other officer of this Board, is hereby authorized and directed (a) to make or effect any election, selection, designation, choice, consent, approval or waiver on behalf of the Board with respect to the Certificates as permitted or required to be made or given under the federal income tax laws, for the purpose of assuring, enhancing or protecting favorable tax treatment or the status of the Certificates or interest thereon or assisting compliance with requirements for that purpose, reducing the burden or expense of such compliance, reducing any rebate amount or any payment of penalties, or making any payments of special amounts in lieu of making computations to determine, or paying, any excess earnings as rebate, or obviating those amounts or payments, as determined by the Treasurer, which action shall be in writing and signed by the Treasurer, or any other officer of this Board, on behalf of the Board; (b) to take any and all actions, make or obtain calculations, and make or give reports, covenants and certifications of and on behalf of the Board, as may be appropriate to assure the exclusion of interest from gross income and the intended tax status of the Certificates; and (c) to give an appropriate certificate on behalf of the Board, for inclusion in the transcript of proceedings, setting forth the facts, estimates and circumstances, and reasonable expectations of the Board pertaining to Section 148 and the Regulations, and the representations, warranties and covenants of the Board regarding compliance by the Board with Sections 141 through 150 of the Code and the Regulations.

The Treasurer shall keep and maintain adequate records pertaining to the use and investment of all proceeds of the Certificates sufficient to permit, to the maximum extent possible and presently foreseeable, the School District to comply with any federal law or regulation now or hereafter having applicability to the Certificates that relates to the use of such proceeds, which limits the amount of proceeds which may be invested on an unrestricted yield or requires the School District to rebate arbitrage profits to the United States Department of the Treasury. The Treasurer is hereby authorized and directed to file such reports with, and rebate arbitrage profits to, the United States Department of the Treasury, to the extent that any federal law or regulation having applicability to the Certificates requires any such reports or rebates.

The Board shall establish a trust fund to be designated "Walnut Township Local School District – Certificates of Participation Escrow Fund" (the "Escrow Fund"), or as otherwise designated by the Treasurer, which shall be in the custody of the Escrow Trustee, as hereinafter defined. The proceeds from the sale of the Certificates, except the accrued interest and premium thereon (if any), shall be deposited in the Escrow Fund. Such moneys deposited in the Escrow Fund may be (i) held as cash or (ii) used to purchase direct obligations of or obligations guaranteed as to payment by the United States of America of such maturities and interest payment dates and bearing interest at such rates as will, as certified by such independent public accounting firm as shall be acceptable to the

Treasurer and the Original Purchaser without further investment or reinvestment of either the principal amount thereof or the interest earnings therefrom, be sufficient to pay the interest on, and the redemption price (including any redemption premium) of, the Refunded Certificates on the earliest optional redemption date for the Refunded Certificates. The Treasurer is also authorized, if necessary or desirable to facilitate the refunding of the Refunded Certificates, to engage a consultant to verify the sufficiency of the cash or other obligations held in the Escrow Fund to refund the Refunded Certificates on such redemption date.

The Treasurer is hereby authorized to execute on behalf of the School District an Escrow Agreement (the "Escrow Agreement") with a bank or trust company to be selected by the Treasurer (the "Escrow Trustee"), setting forth the terms by which the Escrow Fund shall be held and disbursed, if the Treasurer determines that an Escrow Agreement is necessary or beneficial to facilitate the refunding of the Refunded Certificates. Such an Escrow Agreement shall be in such form, not inconsistent with this Resolution, as the Treasurer shall determine.

Section 14. There is appropriated, from unappropriated funds to be deposited or currently on deposit in the permanent improvement fund or the general fund of the School District, a sum not to exceed \$100,000 to pay the cost of lease payments due or coming due under the Amended and Restated Lease for the lease term ending June 30, 2017.

Section 15. It is hereby found and determined that all formal actions of this Board concerning and relating to the passage of this Resolution were adopted in an open meeting of this Board, and that all deliberations of this Board and of any of its committees that resulted in such formal action were in meetings open to the public in compliance with all legal requirements, including Ohio Revised Code Section 121.22.

Mr. Cumbow seconded the motion and, after discussion, a roll call vote was taken and the results were:

Mr. Popo-yes, Mr. Cumbow-yes, Ms. King-yes, Mrs. Keller-yes, Mrs. Armstrong-yes
The Resolution passed.

Passed: July 25, 2016

BOARD OF EDUCATION
WALNUT TOWNSHIP LOCAL SCHOOL
DISTRICT FAIRFIELD COUNTY, OHIO

Attest: _____
Treasurer

President

CERTIFICATE

The undersigned Treasurer of the Board of Education of the Walnut Township Local School District, Fairfield County, Ohio hereby certifies that the foregoing is a true copy of a resolution duly passed by the Board of Education of said School District on July 25, 2016.

Treasurer, Board of Education
Walnut Township Local School District
Fairfield County, Ohio

Roll Call: Mr. Popo-yes, Mr. Cumbow-yes, Ms. King-yes, Mrs. Keller-yes, Mrs. Armstrong-yes
Motion carried

16-153

Motion by Mr. Popo and seconded by Mr. Cumbow to adopt the following policy at the July 25, 2016 meeting of the Walnut Township Local Board of Education in accordance with current policy BF:

**BOARD OF EDUCATION
WALNUT TOWNSHIP LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

The Board of Education (the "Board") of the Walnut Township Local School District, Fairfield County, Ohio (the "School District"), met in special session on July 25, 2016, at 7:00 p.m., at the Millersport Elementary Media Center at the Millersport Elementary School, 11850 Lancaster Street, Millersport, Ohio 43046, with the following members present:

Mr. Popo introduced the following resolution and moved its passage:

RESOLUTION

A RESOLUTION APPROVING A WRITTEN POST-ISSUANCE
COMPLIANCE POLICY IN CONNECTION WITH THE
ISSUANCE OF TAX-EXEMPT AND TAX-PREFERRED
OBLIGATIONS BY THE SCHOOL DISTRICT

WHEREAS, the School District has previously issued, or intends to issue in the future, bonds and other obligations for the purpose of financing various capital improvements in the School District; and

WHEREAS, such obligations were issued, or will be issued as, tax-exempt and tax-preferred obligations (collectively, the "Obligations") under the Internal Revenue Code of 1986, as amended; and

WHEREAS, in connection with the issuance of the Obligations, it is advised that the Board have a formal written policy outlining the policies and procedures necessary to promote compliance with federal income tax and securities laws, as well as the requirements set forth in the documents for each issue of Obligations; and

WHEREAS, the Board desires to formally approve a written policy outlining such policies and procedures;

NOW THEREFORE, BE IT RESOLVED by the Board of Education of the Walnut Township Local School District, Fairfield County, Ohio, that:

Section 1 Approval of Written Post-Issuance Compliance Policy. The Board hereby approves a written post issuance compliance policy (the "Policy") in connection with the issuance of the Obligations of the School District. On behalf of the Board, the Treasurer is hereby authorized to execute the Policy, which Policy shall be in the form attached hereto as EXHIBIT A. The Treasurer is also hereby authorized to execute any other documents necessary in connection with the Policy. The Treasurer's execution of such documents shall be conclusive evidence of the Board's approval of such documents.

Section 2 Open Meeting. It is hereby found and determined that all formal actions of the Board concerning and relating to the adoption of this Resolution were adopted in an open meeting of the Board, and that all deliberations of the Board and of any of its committees that resulted in such formal action were in meetings open to the public in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

Mr. Cumbow seconded the motion and, after discussion, a roll call vote was taken and the results were:

Mr. Popo-yes, Mr. Cumbow-yes, Ms. King-yes, Mrs. Keller-yes, Mrs. Armstrong-yes
The Resolution passed.

Passed: July 25, 2016

BOARD OF EDUCATION
WALNUT TOWNSHIP LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO

Attest: _____
Treasurer

President

CERTIFICATE

The undersigned Treasurer of the Board of Education of the Walnut Township Local School District, Fairfield County, Ohio, hereby certifies that the foregoing is a true copy of a resolution duly passed by the Board of Education of said School District on July 25, 2016.

Treasurer, Board of Education
Walnut Township Local School District
Fairfield County, Ohio

Roll Call: Mr. Popo-yes, Mr. Cumbow-yes, Ms. King-yes, Mrs. Keller-yes, Mrs. Armstrong-yes
Motion carried

16-154 Adjournment

Motion by Mr. Popo and seconded by Mr. Cumbow to adjourn the meeting. (Time: 7:44 p.m.)

Roll Call: Mr. Popo-yes, Mr. Cumbow-yes, Mrs. King-yes, Mrs. Keller-yes, Mrs. Armstrong-yes
Motion Carried

I certify these minutes to be correct.

President

Treasurer

